

November 18, 2011

Dear Madame Mayor and Honorable Members of the Santa Barbara City Council,

At the Santa Barbara City Council meetings held May 2, 2011 and June 2, 2011 the Santa Barbara City Council gave the Rental Housing Mediation RHMTF Advisory Group (RHMTF) a directive to explore several potential cost saving measures. These were as follows:

- Grants: Identify possible grants to augment the decrease in CDBG monies that have historically funded the Rental Housing Mediation RHMTF
- Explore the possibility of a Sliding Scale Fee for mediation services rendered in the City of Santa Barbara
- Volunteers: Determine how they could be utilized
- Mediation Training: Find ways for the mediators to conduct and organize their own training materials and exercises
- Explore the possibility of transforming the RHMTF into a 501c3 non-profit organization from its current status as a City supported volunteer Advisory Group and mediation service by partnering with an existing non-profit
- By-Laws: Amend to meet changing and future program needs and requirement

Following the City Council's June 2nd meeting, the RHMTF formed sub-committees (grant writing/fund raising, training, advocacy and by-laws) at the June 9th Special Meeting to explore cost saving measures to the program. These committees strived to meet weekly. Over the course of five subsequent monthly full board meetings, the sub-committees reported their findings. The RHMTF conducted ongoing discussions on the topics. Once adequately informed, the RHMTF Advisory Group made various motions to finalize the results of their hard work and research and voted on their position at the October 6, 2011 Advisory Group meeting. These resolutions were as follows:

Grants: Identify possible grants to augment the decrease in CDBG monies that have historically funded the Rental Housing Mediation RHMTF

Faced with the prospect of elimination for lack of program funding, it was easy for the RHMTF to determine early on in the process that seeking grant dollars was to be a prime objective. As a result, a Grant Writing Sub-Committee was formed at the July 7, 2011 RHMTF meeting. This committee has since made great efforts. It has researched dozens of grant opportunities, written a common grant application that could be accepted by local granting organizations, and has submitted applications to some and has begun the process in others.

The committee is also actively researching how it might leverage the Community Reinvestment Act, which requires financial institutions, banks, to establish charitable goals. The committee members have organized meetings with foundation representatives, productively researched the grantor resources made available, attended

grant writing workshops, and continue to look for grant opportunities as well as actively pursue donations for the program.

Outcome and Timing

The process of grant writing, submittal and receipt of funds will take some time to bear fruit. It is the belief of the RHMTF that it is very unlikely to find one foundation willing to grant the lion's share of the program's funding requirement. While the niche served by the RHMTF falls into the purview of many foundations targeting the prevention of homelessness and health and human services, the RHMTF is not a capital project or a one-time funding need, which the larger foundations generally seek to champion. The committee has gathered a sense that Foundation Grants, if any, are most likely to come in the form of smaller amounts, say, \$200 to 5,000 per grant. Often these may only be one time only grants.

It is the RHMTF's belief that a shortfall of funding for the program will remain long term if grant monies were to be the only reliable source of funding. It is therefore our goal to be made whole by monies from the city's general fund on an annual basis. We hope the Santa Barbara City Council will view our ongoing efforts to augment city funding as a new and demanding charge placed upon the RHMTF. The work will take time, perhaps several years, to fully bloom. Our goal will be to make the RHMTF's demand on the general fund as limited as possible; however, we will need to rely on the city's readiness to continually support the important work of the program which has successfully served our community for the past 35 years.

Explore the possibility of a Sliding Scale Fee for mediation services rendered in the City of Santa Barbara

After much research conducted on the subject of Sliding Scale Fee, the RHMTF voted to not institute a sliding scale fee for mediation services rendered in the City of Santa Barbara.

The City of Santa Barbara Resolution Number 89-057 addresses sliding scale fees for face-to-face mediation services conducted within the City of Santa Barbara. It states that, "the City of Santa Barbara operates a Rental Housing Mediation Task Force for the purpose of assisting landlords and tenants in resolving disputes." There shall be no mediation fee for parties in which the property is located within the City of Santa Barbara. Parties who request mediation for properties located outside of the City of Santa Barbara shall be charged a fee based on a sliding scale reflecting the client's income and ability to pay with a maximum charge of \$75.00. Please note that, at the present time, the RHMTF contracts with municipalities outside of the City of Santa Barbara currently do not include face-to-face mediations.

Given that the average number of face-to-face Task Force conducted mediations is approximately 12 per year, the RHMTF determined that the amount of revenue to be gained by applying the sliding scale fee to mediations within the City of Santa Barbara is negligible, and would likely be less valuable than the work required determining and collecting the fee. Furthermore, a majority of the tenants who have engaged in past face-to-face mediations are considered very low to low income, and would therefore be unlikely to afford even the minimal charge for services. Finally, introducing a system of fee collection into the already fragile process of bringing two very disagreeable parties

together to resolve their dispute would likely be yet another reason for one or both of the parties to resist mediation. The sliding scale fee therefore will not meaningfully contribute to RHMTF funding, but would be detrimental to the process overall.

Volunteers: Determine how they could be utilized

Given the limited resources of the RHMTF paid staff, the Advisory Group determined that training volunteers from the community at large would be a greater burden for staff than is the work said volunteers would be expected to complete. Accepting or returning cold calls from disputing, disgruntled individuals is no slim task. Individuals faced with the threat of eviction can be and often are scared, confused, nervous, and even suicidal. Often, individuals may be disabled or elderly, thereby requiring special assistance. This work must be handled by trained professionals. The RHMTF determined that a rotating, loose collective of volunteers would not fit the bill and could in fact be a liability for the program. However, it was also determined that within the Advisory Group itself were highly qualified individuals with mediation certificates, masters in dispute resolution, law degrees and professionals. The issue then became, would the appointed volunteer Advisory Group mediators be able to assist in the program's office on a regular basis in addition to the work that they already do for the program, hold down their paid jobs, provide for their families and maintain their already busy schedules, and supplant part-time hourly staff. After much discussion and debate it was decided that it would not be feasible. The board passed a motion to create scheduled times during City business hours, as determined by the Senior Rental Housing Mediation Specialist, in which the Advisory Group mediators could voluntarily work in the office. Their function would be to take or follow-up on incoming calls from the public for information and mediation and serve as a form of relief or enhancement to the current level of program staffing.

It was also determined that assisting in the office would serve multiple purposes. Advisory Group mediators would help contribute to the daily function of the RHMTF, and the exercise of fielding public inquires would also serve as mediator training towards the required 25 hours needed for the Advisory Group mediators to receive their City of Santa Barbara, Rental Housing Mediation Task Force Mediator Certificate.

Mediation Training: Find ways for the mediators to conduct and organize their own training materials and exercises

The idea of the mediation training committee was to see how mediators could take over some of the training programs to relieve staff. While it was determined that the Task Force had the knowledge to assist with training, and that it was good to have the mediators involved in training, the experience, expertise and resources of the Senior Rental Housing Mediation Specialist were too vast and deep to not utilize. A motion was passed that in order to mitigate program costs, with the idea not to supplant staff, mediators would collaborate with staff to present and create training materials.

Explore the possibility of transforming the RHMTF into a 501c3 non-profit organization from its current status as a City supported volunteer board and service by partnering with an existing non-profit

After careful consideration, the RHMTF unanimously passed a motion to not transform itself into a 501c3 non-profit organization. Firstly, removing the RHMTF from under the city's umbrella would greatly increase the overall cost of the program's annual funding

needs, mainly by forcing the staff and Advisory Group to find rented office and meeting space, purchase basic office supplies and equipment for daily functions. Most importantly, ending the Advisory Group's crucial standing as a city function, which essentially grants us the credibility, neutrality, and authority required to successfully conduct mediations, would substantially damage the RHMTF's reach.

Additionally, the program could not determine what advantage it would gain by becoming a non-profit. Currently, the RHMTF enjoys a relationship with 2nd Story Associates, that, by virtue of its own 501c3, can accept charitable, tax deductible donations from the public on behalf of the RHMTF. Since the RHMTF relies on the city for the public perception of its authority and neutrality, and because the RHMTF already enjoys funding directed through an existing 501c3, the Advisory Group sees no need or benefit to itself become a 501c3.

By-Laws: Amend to meet changing and future program needs and requirement

The issue of removing Advisory Group term limitations and the amendment to the RHMTF By-Laws is in process. City staff can work with the City Attorney and the Task Force to make changes proposed by the Task Force.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Dullum". The signature is stylized with large, flowing loops and a prominent initial "J".

Justin Dullum
Chair
Rental Housing Mediation Task Force